

FISCAL NOTE

Bill #: SB0369

Title: Third party inspections if architect and contractor are related

Primary Sponsor: Bill Glaser

Status: As Introduced

Sponsor signature Date

Chuck Swysgood, Budget Director Date

Fiscal Summary

	<u>FY2002 Difference</u>	<u>FY2003 Difference</u>
Expenditures:	Unable to be determined	
Revenue:	0	0
Net Impact on General Fund Balance:	Unable to be determined	

<u>Yes</u>	<u>No</u>		<u>Yes</u>	<u>No</u>	
	X	Significant Local Gov. Impact		X	Technical Concerns
	X	Included in the Executive Budget		X	Significant Long-Term Impacts
	X	Dedicated Revenue Form Attached		X	Family Impact Form Attached

Fiscal Analysis

- The fiscal impact is difficult to quantify into a specific dollar amount, except on a project-by-project basis. On public works projects the impact is determined to be at least an additional 2% of the construction cost. This is due to the fact that the architect/engineer originally hired will have some responsibility to answer the contractor's questions regarding the design, review shop drawings/submittals, negotiate change orders, and perform other functions (with the exception of the inspections). There will be an additional expense of hiring the third party to perform the inspections.